

MEETING OF THE BOARD
OF DIRECTORS

*

FEBRUARY 20, 1982

RENAISSANCE MONASTERY

The meeting was called to order by the President, Miles Barth, and the roster was called and the following directors were present: Miles Barth, Linda Rockwood, Charles Randall, Susan Barth, Karl Werner, Frank Annis, Samuel Sanders, and Clare Bowen. Absent was Kenneth Wygal.

The President then read from the words of Peter Ouspensky:

"It is necessary to realize and remember how many are the things we come up against in our thinking which are really insoluble for our mind. When we realize that, it will help us to see that we must begin with possible problems. Many people, I do not mean necessarily in the work, but even in the work, many people spend all their mental energy on these insoluble problems. They invent all kinds of solutions, try to think in this or that way about them, but it is all quite useless. You can understand one thing if you understand another thing, and a third thing if you have understood the first two. There are ways for everything, but some problems we can approach with the ordinary mind, while other problems we must put off and wait till we are more conscious and are able to use better machines for thinking. In ordinary thinking, in ordinary philosophy and psychology, this question never arises, or if it does, it arises in so vague and confused a form that it does not help. But we know more divisions, more steps, and we must use this knowledge. It will help us to think more practically and to avoid useless abstractions and trying to solve problems which at present we cannot solve."

(The Fourth Way)

Charles Randall moved that the minutes for January 3, 1982, be adopted; motion seconded by Linda Rockwood and unanimously approved.

The next order of business was the Reorganization Committee which was formed in the latter part of January pursuant to a Consent to Corporate Action. The Board discussed the purpose and activities of the Reorganization Committee, and it was agreed that the Consent to Corporate Action mandating the Committee be attached to these Minutes.

The members of the Reorganization Committee explained its proposals beginning with the complete separation of the officers and directors of the church and its subsidiary, Renaissance Vineyard and Winery, Incorporated. Letters of resignation from Kenneth Wygal and Karl Werner from the Board of the Church were submitted, and nominees were suggested to fill the vacancies. The nominees were Walter Friedman and Carl Mautz, and they were unanimously elected to fill the vacancies until the next annual meeting of the voting members. Both new members of the Board were in attendance.

EXHIBIT B

Based on the close involvement of Carl Mautz in the Reorganization Committee, it was agreed that day to day operations would be facilitated by making Mr. Mautz an officer of the church. In accordance with this decision, Linda Rockwood submitted her resignation as Vice President of the church, and after nomination and vote, Carl Mautz was unanimously elected to fill the vacancy in the office of Vice President until the next annual meeting of the Board.

After motion duly made and seconded, it was unanimously

RESOLVED, that the Board hereby expresses its gratitude to the retiring directors and officers for their loyal and competent service each rendered to the church during their time of service.

The next order of business was the subject of the Executive Committee, and after hearing the recommendations of the Reorganization Committee and a discussion among Board members, it was duly moved, seconded and unanimously resolved that

WHEREAS, the Board of Directors of the Church consists of members who reside in various locations in California or have varying relationships to the day to day operations of the Church, and,

WHEREAS, the members of the Board agree that it is in the best interests of the Church that most business of the Church be conducted by a smaller number of its members who are involved with the daily operations of the church, and therefore it is hereby,

RESOLVED, that the By-Laws of the church be amended so that Article V shall contain the following paragraphs designated by the numeral 9:

9. Executive Committee. The Board of Directors may appoint an Executive Committee to serve at the pleasure of the Board and to exercise whatever powers are allowed by the law and by resolution of the Board. The Board may by resolution formulate rules by which the Executive Committee functions unless the Board delegates the rule making function to the Executive Committee. The Board may withdraw the rule making function at its pleasure. The Board may replace Committee members at will and fill vacancies at regular or special meetings of the Board.

BE IT FURTHER RESOLVED that an Executive Committee be formed consisting of those directors who also hold positions as officers, the number of which shall not be less than three or more than four, to serve at the pleasure of the Board of Directors of the Church. The Executive Committee shall have all of the powers of the Board during the periods between the regular meetings of the Board except as follows:

- (1) Approval or ratification of any action which requires Voting Members approval pursuant to sections 5034 and 5033 of the California Corporations Code.
- (2) Filling vacancies on the Board or any Committee having the authority of the Board.

- (3) Fixing compensation of Directors for serving on the Board or on any Committee.
- (4) Amending, repealing or adopting bylaws.
- (5) Amending or repealing any resolution of the Board which by its express terms is not amendable or repealable.
- (6) The appointment of committees of the Board or of the Voting Members.
- (7) Approval of expenditures totaling \$25,000 in the aggregate.

BE IT FURTHER RESOLVED, that the Executive Committee shall formulate its own rules of procedure, except that minutes shall be kept of all of its resolutions, such minutes shall be signed by the Secretary and kept in a minute book at the business office of the Church. Copies of all minutes shall be distributed to each Board member prior to the first regular Board meeting occurring after Executive Committee resolutions have been adopted and minuted.

The matter of expenditure of funds was raised, and after recommendation by the Reorganization Committee and discussion, it was duly moved, seconded and unanimously resolved that

WHEREAS, the Fellowship of Friends, Inc., is incorporated as a church under California's General Nonprofit Corporation Law; and

WHEREAS, the major religious goal of the Fellowship is the pursuit of spiritual development through God's laws, work, preservation of traditional human skills, and study and understanding God's laws; and

THEREFORE, BE IT RESOLVED, that the Board of Directors of the Fellowship of Friends, Inc., adopts the following procedures to administer the expenditure of funds for the achievement of its religious goals:

RESOLVED, that the following uses of church funds are approved by the Board so long as expenditures are made only pursuant to approved budget and other predefined spending procedures:

- I. Renaissance Development
 - A. Land development
 - B. Community planning and County land use approval
 - C. Research of models for future development
- II. Renaissance Maintenance
 - A. Buildings
 - 1. Lincoln Lodge
 - 2. Goethe Academy
 - B. Food service
 - C. Housekeeping and laundry
 - D. Landscaping

III. Establishment and Support of Congregations

- A. Advertising and subsidy
- B. Travelling minister costs
- C. Postage and supplies
- D. Ministers' salaries
- E. Miscellaneous travel
- F. Press - Journal and Vine production and distribution

IV. Religious Development

- A. Goethe Academy construction and furnishing
- B. Oil painting acquisition
- C. Musical instrument acquisition
- D. Orchestra and Choral training and development
- E. Library
- F. Concerts
- G. Teaching dinners

V. General and Administrative

- A. Purchasing
- B. Accounting and data processing
- C. Legal
- D. Insurance
- E. Taxes
- F. Debt Service
- G. Telephone and other communication

VI. Investments

- A. Renaissance Vineyard and Winery

BE IT FURTHER RESOLVED, that a Budget and Finance Committee shall be created to serve under the authority of the Executive Committee, shall be appointed by the Executive Committee and shall consist of at least two Directors of the Board, and

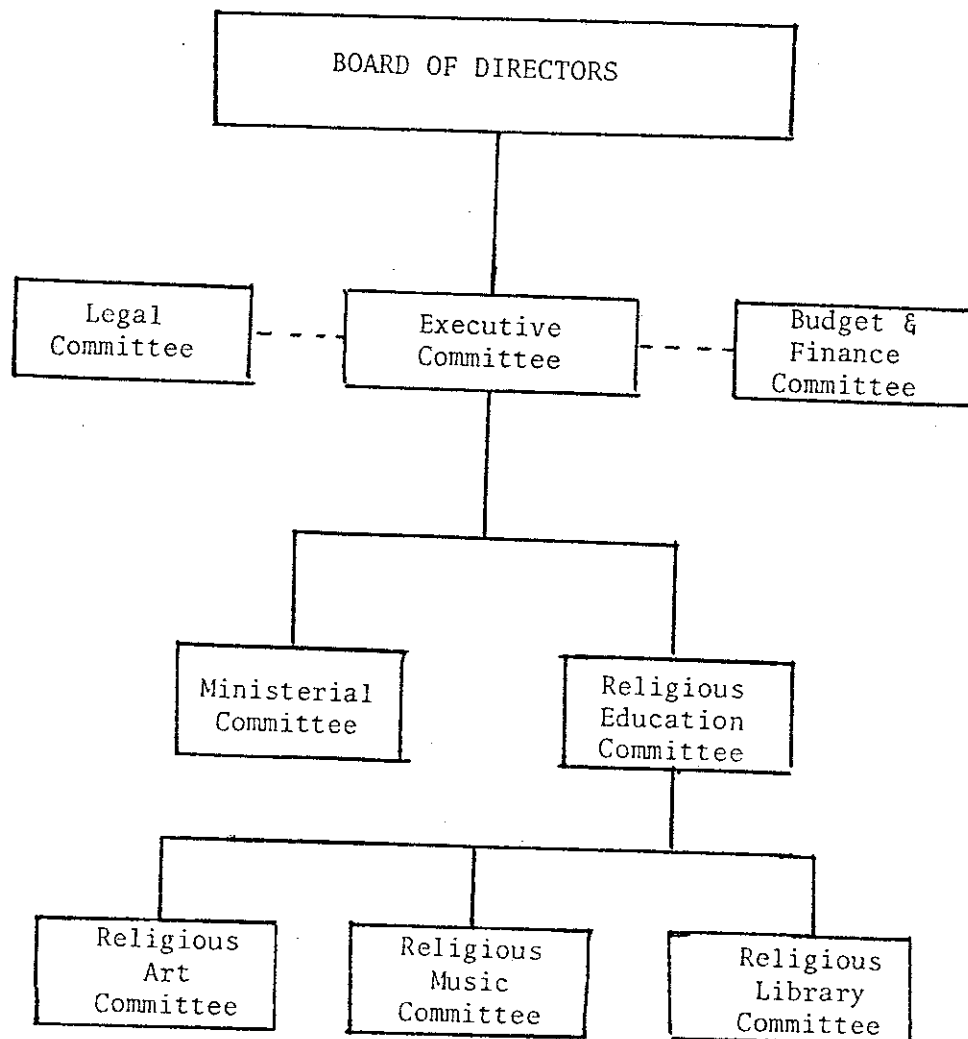
BE IT FURTHER RESOLVED, that all uses of church funds as aforementioned and approved shall be subject to budget and other procedural approval by the Budget and Finance Committee; provided however, that any expenditure over \$1,500 shall require approval by the Executive Committee, while lesser expenditures shall be approved pursuant to a requisition system proposed by the Budget and Finance Committee and approved by the Executive Committee; and further provided, that any expenditure over \$25,000 shall require approval of the Board,

BE IT FURTHER RESOLVED, that no contracts, purchase orders or other commitments to spend may be executed unless approved according to pre-approved procedures, and any contracts, purchase orders or other commitments executed without proper authorization shall not be honored, unless otherwise required by law,

BE IT FURTHER RESOLVED, that each of the aforementioned and approved uses shall be subject to administration by various subcommittees of the Board which reports to the Executive Committee, and such subcommittees shall plan and implement goals and operations for their area of responsibility. They shall requisition for expenditures within their budget and requisitions

shall be approved by either the Treasurer and/or the President. Expenditures proposed over \$1,500 shall require Executive Committee approval. Expenditures totalling over \$25,000 in the aggregate shall require the approval of the Board.

BE IT FURTHER RESOLVED, that the committees and subcommittees designated on the following chart are hereby created to serve the Board through the Executive Committee which is hereby authorized to appoint the members of each committee and subcommittee:



The subject of donations to the church was raised and after recommendations by the Reorganization Committee and discussion, it was duly moved, seconded and unanimously resolved that

WHEREAS, the donation policies within the Fellowship have been set informally in the past by the Founding Minister in conjunction with advice from the Ministerial Committee and Donation Administrator, and

WHEREAS, the Board now considers it in the best interests of the church to formalize the general donation guidelines and provide for the administration of such guidelines, and

THEREFORE, IT IS HEREBY RESOLVED, that the following guidelines be adopted as the currently effective Donation Guidelines applying to members of the church:

- 1) Members shall pay a monthly tithe (ten per cent) of one's income before taxes, or \$100, whichever is greater; special arrangements for hardship cases may be permitted.
- 2) Three months after becoming a member, an additional monthly donation of \$10 is required.
- 3) One year after becoming a member, a once-in-a-lifetime donation of ten times of a member's average monthly payment is due.
- 4) After eighteen month's membership, an additional monthly donation of \$135 is required.
- 5) After two years, a continuing, semi-annual donation in the spring and autumn of \$650 is required.
- 6) If a member's donations are in arrears for more than 8 weeks, he or she may not attend meetings, centre functions, or visit Renaissance until donations are within 8 weeks of being current. If a member's donations are in arrears more than 3 1/2 months, membership shall terminate. Reinstatement of membership requires payment of all donations in arrears at the time membership terminated, plus a payment of \$2500.
- 7) New income from sources other than ordinary income, such as inheritances, capital gains or gifts shall be subject to a 10% donation from the total of such new money received.

BE IT FURTHER RESOLVED, that the administration of the Donation Guidelines will be conducted jointly between the Ministerial Committee and the Donation Administrator, the latter position to be filled as necessary by vote of the Board, and

BE IT FURTHER RESOLVED, that James Bryant is elected to be the Donation Administrator until his resignation or replacement by the Board, and

BE IT FURTHER RESOLVED, that exceptions, reductions and variations to the Donation Guidelines may be made in particular cases or affecting

a class of members where the Ministerial Committee determines that hardship exists and that the best interests of the members in question and the church as a whole would benefit from the exception; provided however, that any exceptions, reductions or variations which suggest a major shift in the Donation Guidelines shall receive prior approval of the Board.

BE IT FURTHER RESOLVED, that the Board adopts in substance the following draft of a letter requesting a Spring Donation from church members, and the Board hereby authorizes the Treasurer to continue drafting donation letters as and when the Board determines that new donations are necessary to be requested from members:

March 1, 1982

Dear _____,

The Fellowship's Board of Directors recently adopted a policy that all future requests for donations from members will be limited to requests for contributions to the Fellowship's general contribution fund. The Fellowship will utilize all such funds solely to further the church's religious purposes and activities. The amounts that will be dedicated to each such religious function will be determined by the Board of directors at its budget meetings.

Accordingly, to achieve the Fellowship's religious purposes, we request a Spring, 1982, donation of \$650. This donation will allow the Fellowship to continue to accomplish its objectives.

The due date for the donation is April 15, 1982. Those who have joined on or before April 15, 1980 are eligible. For those who qualify, the reduced amount is \$400. Please code these donations S2 on the transmittals.

Thank you,

Charles Randall

The next item of business was travel policy and after recommendations by the Reorganization Committee and discussion, it was duly moved, seconded and unanimously resolved that

WHEREAS, travel policy for ministers and others travelling on church business had been determined informally in the past, and

WHEREAS, the Board considers it in the best interests of the church to formalize and standardize the travel guidelines and provide for the administration of such guidelines, and

THEREFORE, IT IS HEREBY RESOLVED, that the following travel objectives be adopted applying to members of the church:

- 1) Spiritual support of Fellowship congregations throughout the world.
- 2) Development of Fellowship membership, including investigation of locations for the establishment of new congregations.
- 3) Research models for development of various religious facets of the Renaissance community and the church.
- 4) To conduct the business of the church, as necessary.

BE IT FURTHER RESOLVED, that the following schedule of expenses and policies for travel will be instituted by the church:

- 1) Per diem expenses for meals will be paid at the rate of \$25 (\$35 in Europe).
- 2) Accomodations shall be in teaching houses or member's residences in all cities where possible and at moderately priced hotels (\$45 per day maximum) in other cities.
- 3) Transportation shall exclude 1st class air travel and otherwise conform to a moderate expenditure depending on the circumstances of the travel.

BE IT FURTHER RESOLVED, that all travel plans over \$500 require approval in advance by the Executive Committee and that the following procedures and policies will govern the extent to which such travel will be paid by the church:

- 1) Prior to finalization of travel arrangements, the traveler shall submit for approval a proposed agenda to the Executive Committee. The agenda shall list the anticipated religious business to be accomplished on each day of scheduled travel, the destinations, and the names of persons with whom meetings have been or will be scheduled. No personal activities shall be paid for by the church, and all activities not in pursuit of one of the above-cited objectives shall be considered personal.
- 2) All activities paid for by the church shall be subject to review by the Board and its officers for determination as to the appropriateness of the activity to the stated objectives.
- 3) All church travel expenses shall be documented with receipts, all receipts shall be submitted to the church office at the end of the journey, and expenditures not documented by a receipt or not justified as in furtherance of one of the stated objectives shall be subject to disallowance by the Executive Committee. Additionally, the traveler will maintain a diary or similar record during his travels which lists the meetings attended each day, persons present at each meeting, religious business accomplished, and other pertinent information. This record will be submitted to the office along with receipts at the end of the journey.

- 4) Any expenditures disallowed by the Executive Committee shall be reimbursed to the church by the party who made or is responsible for making the disallowed expenditure.

The subject of sales of assets, loans and gifts to members of the church was raised, and after recommendations by the Reorganization Committee and discussion, it was duly moved, seconded and unanimously resolved that

WHEREAS, on October 7, 1979, the Board of Directors of the Fellowship of Friends, Inc. resolved to budget funds for a Discretionary Fund to be utilized by the Founding Minister to further the Fellowship's religious purposes, i.e., to enhance the member's spiritual development, and

WHEREAS, although the Board has informally concurred in the uses of this fund, it is agreed that it is in the best interests of the church to formalize its approval of the Discretionary Fund, and

THEREFORE, BE IT HEREBY RESOLVED, that expenditure of funds in furtherance of the Fellowship's religious purposes which utilize the Discretionary Fund up to \$500 will require the approval of the Executive Committee after a proposal by the Ministerial Committee. Expenditures proposed over \$500.00 will require Board approval.

BE IT FURTHER RESOLVED, that no assets of the church may be sold to members by the Church except in unusual circumstances, and in cases where such unusual circumstances may exist, all details of the proposed sale shall be fully disclosed to the Board prior to any commitment being binding on the church. If the Board determines that unusual circumstances exist after full disclosure of the details of a proposed sale, then the determination shall be expressed fully in a Board resolution and recorded in the Board's minutes. Any sales approved shall be at fair market value as established and documented by independent appraisal and the terms of payment shall be determined pursuant to prevailing market rates.

BE IT FURTHER RESOLVED, that loans to members must be preceded by a written request stating the purpose of the loan, that any loan proposed shall be reviewed in advance by the Board and may only be approved if it furthers a religious purpose and is in the best interests of the church. All loans shall incur interest at the prevailing rate with adequate and proper security where appropriate.

The next item of business was the deaccessioning of the church's decorative arts collection and after recommendations of the Reorganization Committee and discussion it was duly moved, seconded and unanimously resolved that

WHEREAS, the church has in the past purchased numerous items of decorative arts, fine books and antiques for the purpose of fulfilling the church's religious aim of uplifting the standards of its members in order that their spiritual evolution be enhanced, and

WHEREAS, the Founding Minister has advised the Board that based on his spiritual insight and judgement he considers that the goal of raising the standards of the members through the refinement of their environment